SENT TO COUNCIL:

JUN 5 - 2001



Memorandum

TO: HONORABLE MAYOR AND

CITY COUNCIL

FROM: Leslye Corsiglia

DATE: June 1, 2001

Approved Ame Renson

SUBJECT: LOCUST STREET UPDATE

Date 06.05.01

COUNCIL DISTRICT: 3

SNI AREA: Washington-Guadalupe

INFORMATION

BACKGROUND

On April 10, 2001, the City Council approved the transfer of the Redevelopment Agency-owned property at 937-943 Locust Street to the City for the future development of affordable housing. On June 5, 2001, the City Council will consider a rezoning of the subject property to allow the shared-housing building on the property to be converted to a temporary shelter for victims of fire and other disasters. As proposed in the rezoning, the building could house up to four households with no more than 20 persons total. The use of the existing triplex on the property would remain unchanged.

Since the Council's approval of the property transfer, a community meeting was held on May 10, 2001 to discuss concerns that the neighborhood had expressed about the proposed use, including parking and the prospective occupants of the temporary shelter. Housing, Planning, Redevelopment and Neighborhood Services staff attended the meeting with approximately 20 neighborhood representatives. Staff explained how the property would be used and answered questions. Staff from the Emergency Housing Consortium (EHC) and the American Red Cross—the prospective property owner/manager and service provider, respectively—were also in attendance to answer property and occupancy questions as well. The community representatives appeared satisfied with the information and were assured that the project would be a good neighbor to the community.

ANALYSIS

Currently, the Housing Department is awaiting the grant deed from the Redevelopment Agency. After the transfer of the property is complete, the property will then need to be transferred to the EHC. A Development and Disposition Agreement (DDA) is required under State law for the

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disposal of property acquired with redevelopment funds. The Housing Department anticipates that the DDA will be agendized for City Council consideration on August 7, 2001.

Prior to the DDA, the Housing Department will be working with EHC as well as the Fire Marshall's Office and the Building Division to design the improvements to be made to the building during the rehabilitation process. The rehabilitation job is anticipated to be relatively costly – the preliminary estimate is approximately \$1,000,000 – because of the need to install fire sprinklers and the possibility of having to extend new water mains because of inadequate fire flows.

If this rehabilitation project were to follow the normal steps, it is anticipated that the building would be ready for occupancy by February 2002. However, recognizing the need to have this facility available in as little time as possible, the City Administration will be taking steps concurrently rather than sequentially so that the building can be available as much as 90 days sooner, or by December 2001.

If you have any questions or comments regarding the proposed project or timelines, please do not hesitate to contact me at ext. 3863.

Acting Director of Housing